



Portland General Electric Company
121 SW Salmon Street • Portland, Oregon 97204

October 22, 2013
ES-314-2013
ENV-7

Manager – Cap and Trade Program
Air Quality Planning and Science Division
California Air Resources Board
1001 "I" Street
Sacramento, CA 95814

RE: Comments of Portland General Electric Company on Proposed Amendments to the Cap and Trade Regulation

To Whom It May Concern:

Portland General Electric Company (PGE) appreciates the opportunity to provide comments to California Air Resources Board (ARB) on the Proposed Amendments to the Cap and Trade Regulation. Our comments below are directed at requirements specific to electric power entities.

Requirements for Direct Delivery of Renewable Electricity

PGE appreciates the proposed modifications to both the Mandatory Reporting Regulation and the Cap and Trade Regulation to require reporting of the serial numbers of associated Renewable Energy Credits (RECs) in conjunction with direct delivery of renewable energy instead of retirement of those RECs. PGE requests that staff confirm that when electricity is delivered from a resource that is eligible in other state renewable energy programs or in the voluntary market but is not a California RPS-eligible renewable resource, it is not necessary for the importer of that electricity to report the associated RECs in order to claim the specified emission factor for that resource.

Revised Regulation with Respect to CAISO's Energy Imbalance Market (EIM)

With the California Independent System Operator's (CAISO) Energy Imbalance Market (EIM) proposal being in its infancy and design stage, many stakeholders have made comments and recommendations to CAISO with respect to revising the market design and governance structure. As the stakeholder process continues and as CAISO incorporates such changes to its proposal, PGE requests that ARB abstain from referencing anything in the regulation of the EIM market until it is fully operational. Recent comments have been made to CAISO during the stakeholder process that could cause some concerns around jurisdiction, unintended consequences, and resource leakage as it pertains to the proposed co-optimization EIM structure. It would be preferable to wait for the market to mature before incorporating it into the ARB regulations.

Resource Shuffling

PGE applauds ARB in removing the resource shuffling attestation and incorporating the guidance documents into the Cap and Trade Regulation to provide some clarity on what would not constitute resource shuffling. However, PGE encourages that ARB host a future workshop on this matter to

Manager – Cap and Trade Program

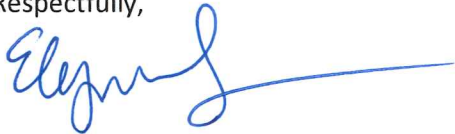
October 22, 2013

Page 2

explicitly provide examples of what would constitute resource shuffling so that stakeholders can engage in an educated discussion on how ARB intends to monitor, define and provide concrete examples of what ARB considers to be resource shuffling.

Again, PGE appreciates the opportunity to provide comments to ARB with regard to the Proposed Amendments to the Cap and Trade Regulation. For any follow-up communications, please contact me at (503) 464-8528 or via e-mail at Elysia.Treanor@pgn.com.

Respectfully,



Elysia Treanor
Environmental Specialist

cc: Cathy Kim
Crystal Lindquist